



Orange County Transportation Authority

Finance and Administration Committee Agenda

Wednesday, April 23, 2025 at 10:30 a.m.

Board Room, 550 South Main Street, Orange, California

Committee Members

Michael Hennessey, Chair
Patrick Harper, Vice Chair
Mike Carroll
Jamey M. Federico
Carlos A. Leon
Vicente Sarmiento
Mark Tettemer

Any person with a disability who requires a modification or accommodation in order to participate in this meeting should contact the Orange County Transportation Authority (OCTA) Clerk of the Board's office at (714) 560-5676, no less than two business days prior to this meeting to enable OCTA to make reasonable arrangements to assure accessibility to this meeting.

Agenda Descriptions

Agenda descriptions are intended to give members of the public a general summary of items of business to be transacted or discussed. The posting of the recommended actions does not indicate what action will be taken. The Committee may take any action which it deems to be appropriate on the agenda item and is not limited in any way by the notice of the recommended action.

Public Availability of Agenda Materials

All documents relative to the items referenced in this agenda are available for public inspection at www.octa.net or through the Clerk of the Board's office at the OCTA Headquarters, 600 South Main Street, Orange, California.

Meeting Access and Public Comments on Agenda Items

Members of the public can either attend in-person or access live streaming of the Committee meetings by clicking this link: <https://octa.legistar.com/Calendar.aspx>

In-Person Comment

Members of the public may attend in-person and address the Board regarding any item within the subject matter jurisdiction of the Orange County Transportation Authority. Please complete a speaker's card and submit it to the Clerk of the Board and notify the Clerk regarding the agenda item number on which you wish to speak. Speakers will be recognized by the Chair at the time of the agenda item is to be considered by the Board. Comments will be limited to three minutes. The Brown Act prohibits the Board from either discussing or taking action on any non-agendized items.

FINANCE AND ADMINISTRATION COMMITTEE MEETING AGENDA

Written Comment

Written public comments may also be submitted by emailing them to ClerkOffice@octa.net, and must be sent by 5:00 p.m. the day prior to the meeting. If you wish to comment on a specific agenda item, please identify the item number in your email. All public comments that are timely received will be part of the public record and distributed to the Board. Public comments will be made available to the public upon request.

Call to Order

Pledge of Allegiance

Director Leon

Closed Session

There are no Closed Session items scheduled.

Special Calendar

1. Proposed Fiscal Year 2025-26 Southern California Regional Rail Authority Budget

Megan Taylor/Johnny Dunning, Jr.

Overview

Metrolink staff will present an overview (with presentation) of the draft Southern California Regional Rail Authority Fiscal Year 2025-26 Budget, including the Orange County Transportation Authority's proposed share of operating, rehabilitation, and capital expenses for Metrolink Regional Rail Service.

Attachments:

[Presentation](#)

Consent Calendar (Items 2 through 8)

All items on the Consent Calendar are to be approved in one motion unless a Committee Member or a member of the public requests separate action or discussion on a specific item.

2. Approval of Minutes

Clerk of the Board

Recommendation(s)

Approve the minutes of the March 26, 2025 Finance and Administration Committee meeting.

Attachments:

[Minutes](#)

FINANCE AND ADMINISTRATION COMMITTEE MEETING AGENDA

3. **Fiscal Year 2024-25 Internal Audit Plan, Third Quarter Update**

Janet Sutter

Overview

The Orange County Transportation Authority Board of Directors adopted the Orange County Transportation Authority Internal Audit Department Fiscal Year 2024-25 Internal Audit Plan on July 22, 2024. This report provides an update on activities for the third quarter of the fiscal year.

Recommendation(s)

Receive and file the third quarter update to the Orange County Transportation Authority Internal Audit Department Fiscal Year 2024-25 Internal Audit Plan as an information item.

Attachments:

[Staff Report](#)

[Attachment A](#)

[Attachment B](#)

[Attachment C](#)

4. **Independent Accountants' Report on Applying Agreed-Upon Procedures, City of Buena Park**

Janet Sutter

Overview

Crowe LLP, an independent accounting firm, has applied agreed-upon procedures related to a settlement agreement between the City of Buena Park and the Orange County Transportation Authority. Based on the procedures performed, the City of Buena Park repaid misspent Local Fair Share funds, obtained an unmodified (clean) opinion on its Annual Comprehensive Financial Report for the Year Ended 2024, spent sufficient funds to meet required minimum maintenance of effort expenditures, and its Local Fair Share expenditures were allowable per the Measure M2 Ordinance.

Recommendation(s)

Receive and file as an information item.

Attachments:

[Staff Report](#)

[Attachment A](#)

FINANCE AND ADMINISTRATION COMMITTEE MEETING AGENDA

5. Independent Accountant's Report on Applying Agreed-Upon Procedures, City of Orange

Janet Sutter

Overview

Crowe LLP, an independent accounting firm, has applied agreed-upon procedures related to Measure M2 maintenance of effort expenditures by the City of Orange for the fiscal year ended June 30, 2024. Based on the procedures performed, the City of Orange spent sufficient funds to meet the required minimum expenditures outlined in a settlement agreement between the City of Orange and the Orange County Transportation Authority.

Recommendation(s)

Direct staff to develop recommendations for Board of Directors' action related to the status of the City of Orange's Measure M2 eligibility.

Attachments:

[Staff Report](#)

[Attachment A](#)

6. Orange County Transportation Authority Investment and Debt Programs Report - February 2025

Robert Davis/Andrew Oftelie

Overview

The Orange County Transportation Authority has a comprehensive investment and debt program to fund its immediate and long-term cash flow demands. Each month, the Treasurer submits a report detailing investment allocation, performance, compliance, outstanding debt balances, and credit ratings for the Orange County Transportation Authority's debt program. This report is for the month ending February 28, 2025. The report has been reviewed and is consistent with the investment practices contained in the investment policy.

Recommendation(s)

Receive and file as an information item.

Attachments:

[Staff Report](#)

[Attachment A](#)

[Attachment B](#)

FINANCE AND ADMINISTRATION COMMITTEE MEETING AGENDA

7. **Approval of the Fiscal Year 2025-26 Local Transportation Fund Claim for Laguna Beach Public Transportation Services**

Sam Kaur/Andrew Oftelie

Overview

The Laguna Beach Municipal Transit Lines, a department within the City of Laguna Beach, is eligible to receive funding from the Local Transportation Fund in Orange County for providing public transportation services throughout the city. To receive the funds, the Laguna Beach Municipal Transit Lines must file a claim against the Local Transportation Fund with the Orange County Transportation Authority.

Recommendation(s)

- A. Approve the Laguna Beach Municipal Transit Lines Fiscal Year 2025-26 Local Transportation Fund Claim for public transportation services in the amount of \$1,495,895.
- B. Authorize the Chief Executive Officer of the Orange County Transportation Authority to issue allocation/disbursement instructions to the Orange County Auditor-Controller in the amount of the claim.

Attachments:

[Staff Report](#)

8. **Approval of the Fiscal Year 2025-26 Local Transportation Fund Claim for Public Transportation and Community Transit Services**

Sam Kaur/Andrew Oftelie

Overview

The Orange County Transit District is eligible to receive funding from the Local Transportation Fund for providing public transportation and community transit services throughout Orange County. To receive the funds, the Orange County Transit District must file a claim against the Local Transportation Fund with the Orange County Transportation Authority.

Recommendation(s)

- A. Approve the Orange County Transit District Fiscal Year 2025-26 Local Transportation Fund Claim for public transportation services in the amount of \$208,460,790, and for community transit services in the amount of \$11,050,352 for a total claim amount of \$219,511,142.
- B. Authorize the Chief Executive Officer to issue allocation/disbursement instructions to the Orange County Auditor-Controller in the full amount of the claims.

Attachments:

[Staff Report](#)

FINANCE AND ADMINISTRATION COMMITTEE MEETING AGENDA

Regular Calendar

9. Orange County Local Transportation Authority Measure M2 Agreed-Upon Procedures Reports, Year Ended June 30, 2024

Janet Sutter

Overview

Crowe LLP, an independent accounting firm, has applied agreed-upon procedures related to Measure M2 Local Fair Share funds provided to nine cities and the County of Orange, and Senior Mobility Program funds provided to five cities, for the fiscal year ended June 30, 2024. Local Fair Share program reports include observations of disallowed Local Fair Share and maintenance of effort expenditures, expenditure report errors, an incomplete Capital Improvement Program report, and expenditure reports lacking project detail. Senior Mobility Program reports included observations relating to expenditure report errors, late submission of a monthly report, and overcharging for administrative costs.

Recommendation(s)

- A. Direct staff to monitor implementation of corrective actions by cities.
- B. Direct staff to review with legal counsel the results of agreed-upon procedures applied to the City of Huntington Beach and develop recommendations for Board of Directors' consideration to address the exception related to disallowed Local Fair Share expenditures.
- C. Direct staff to follow up with the City of Mission Viejo to obtain a revised Measure M2 Expenditure Report, evaluate whether administrative costs related to the Senior Mobility Program exceeded the ten percent threshold, and, if applicable, recover the overage.
- D. Direct staff to consult with legal counsel, develop guidelines for allowable uses of Local Fair Share funds for "other transportation purposes" and provide communication to cities.

Attachments:

[Staff Report](#)

[Attachment A](#)

[Attachment B](#)

[Attachment C](#)

[Attachment D](#)

FINANCE AND ADMINISTRATION COMMITTEE MEETING AGENDA

10. Orange County Local Transportation Authority Report on Compliance with the Measure M2 Ordinance, Year Ended June 30, 2024

Janet Sutter

Overview

Crowe LLP, an independent accounting firm, has issued results of its audit of the Orange County Local Transportation Authority's compliance with the Measure M2 Ordinance for the year ended June 30, 2024. The auditors found that the Orange County Local Transportation Authority complied, in all material respects, with the compliance requirements of the Measure M2 Ordinance for the year ended June 30, 2024. In addition, no reportable deficiencies in internal control over compliance were identified.

Recommendation(s)

- A. Receive and file as an information item.
- B. Approve a request from the Measure M2 Taxpayer Oversight Committee to conduct Measure M2 compliance audits on an annual basis. If approved, authorize an increase in contract budget of \$400,000 for fiscal years 2024-25 and 2025-26 under Agreement No. C-3-2931 with Crowe LLP, increasing the maximum obligation to \$2,185,500.

Attachments:

[Staff Report](#)

[Attachment A](#)

11. Orange County Transportation Authority Fiscal Year 2025-26 Budget Workshop Preview

Victor Velasquez/Andrew Oftelie

Overview

The Orange County Transportation Authority is developing the fiscal year 2025-26 proposed budget, which identifies available revenues and costs associated with providing transportation services and programs for Orange County. The fiscal year 2025-26 proposed budget will be reviewed in detail during an informal workshop following the May 12, 2025, Orange County Transportation Authority Board of Directors meeting.

Recommendation(s)

Review the fiscal year 2025-26 proposed budget in a workshop setting following the regularly scheduled Orange County Transportation Authority Board of Directors meeting on May 12, 2025.

Attachments:

[Staff Report](#)

[Attachment A](#)

FINANCE AND ADMINISTRATION COMMITTEE MEETING AGENDA

Discussion Items

12. **Measure M2 Sales Tax Revenue Refunding Bonds (Limited Tax Bonds), Series 2025 Pricing Summary**

Robert Davis/Andrew Oftelie

Overview

Staff will provide a summary of the pricing results for the refunding of the Measure M2 Sales Tax Revenue Bonds, Series 2010A (Build America Bonds).

Attachments:

[Presentation](#)

13. **Public Comments**
14. **Chief Executive Officer's Report**
15. **Committee Members' Reports**
16. **Adjournment**

The next regularly scheduled meeting of this Committee will be held:

10:30 a.m. on Wednesday, May 14, 2025

OCTA Headquarters

Board Room

550 South Main Street

Orange, California